



United States Department of Agriculture
Washington, D. C.
February 7, 1941.

QUESTIONS AND ANSWERS ON THE
1941 SUPPLEMENTARY COTTON PROGRAM

The Department of Agriculture is offering cotton farmers in 1941 a Supplementary Cotton Program designed: (1) to reduce the acreage planted to cotton this year, (2) to increase the consumption of cotton goods among farm people in the Cotton Belt, and (3) to help improve living standards through increased production and storage of food for home consumption.

Cotton, more than any other American crop, is dependent upon foreign buyers for its markets. War abroad has sharply curtailed our exports of American cotton. As a result, the large carry-over of 10½ million bales of cotton in this country last August will be substantially increased by the end of this season. This huge supply has accumulated in spite of the fact that cotton farmers have given full support to the AAA Farm Program.

Now that the War has closed many foreign markets, the need for holding down the already large cotton surplus continues to be acute, and with this reduced outlet for cash crops, it is more necessary than ever that farm people produce more food and feed for home consumption.

These have been, and continue to be, objectives of the AAA Farm Program. The new Supplementary Cotton Program puts added emphasis on the efforts to reach these goals through special payments. A total of 25 million dollars worth of the cotton stamps will be made available by the Surplus Marketing Administration for distribution by the AAA to cooperating farmers. In addition, 3 million dollars in cash payments will be added to encourage additional food production and storage for home use.

The 25-million-dollar order for cotton goods, which will be placed in the normal channels of trade by cotton farmers through the use of cotton stamps, will aid industry and contribute to reemployment.

The purpose of this leaflet is to tell how the Supplementary Cotton Program works and to point out the benefits to be derived from it by individual farmers.

How to Earn Cotton Order Stamps

1. Q. How will cotton farmers be compensated for making an additional voluntary acreage reduction in 1941?
 - A. They will receive cotton order stamps, which can be used to purchase cotton goods. These stamp payments are in addition to the regular payments provided for under the 1941 Agricultural Conservation Program.

2. Q. Will underplanting of the 1941 cotton allotment affect the farm cotton allotment in future years?
A. No. Underplanting of the cotton acreage allotment on any farm in 1941 will not affect the cotton acreage allotment for that farm in 1942 or subsequent years, except in case no cotton is planted in 1941 on a farm on which no cotton was planted in 1939 and 1940.
3. Q. Does participating in the Supplementary Cotton Program affect payments under other phases of the Triple-A Program?
A. No. The Supplementary Cotton Program provides for additional payments and does not affect payments under other phases of the AAA Program.
4. Q. Who is eligible to participate in the Supplementary Cotton Program?
A. Any farm owner, operator, tenant, or sharecropper entitled to share in the 1941 cotton crop on any farm for which a cotton allotment was established for 1941, provided cotton was grown on that farm in 1940.
5. Q. How may a farmer earn cotton stamps?
A. By planting in 1941 an acreage of cotton less than the 1941 farm cotton acreage allotment or 1940 measured acreage for the farm, whichever is smaller.
6. Q. Is there any exception to this provision?
A. Yes. If the County Agricultural Conservation Committee finds that the acreage of cotton as measured in 1940 was reduced because of drought, flood, hail, insect pests, or any other natural cause beyond the control of the operator, the 1941 cotton acreage allotment shall be used to determine the acreage voluntarily reduced under this program.
7. Q. Is it necessary for every farmer to give advance notice of his intention to participate in this program?
A. Only the operator of a farm, on behalf of himself and all others interested in the cotton crop, must sign a prescribed form before June 15, 1941, showing the number of acres he intends to take out of cotton production as well as other pertinent information.
8. Q. What will be the result if the 1941 cotton acreage is reduced by more than the amount set forth in the intentions?
A. Stamp payments will be made only for the amount of reduction set forth in the statement of intentions.
9. Q. What will be the result if the 1941 cotton acreage is reduced by less than the amount set forth in the statement of intentions?
A. Stamp payments will be made only for the amount actually reduced.

10. Q. Will there be any penalty for failure to carry out expressed intentions of acreage reduction?
A. No. The Supplementary Cotton Program is entirely voluntary.

11. Q. What is the basis of payment for voluntary reduction of cotton acreage?
A. A farm payment in cotton stamps will be computed at the rate of ten cents a pound times the normal cotton yield determined for the farm under the 1941 Agricultural Conservation Program times the acreage reduced for stamp payment.

12. Q. How would the cotton stamp plan work in the case of a farm operator with no tenants who planted ten acres of cotton in 1940, has a 10-acre allotment in 1941, and has a normal yield, as determined under the 1941 Agricultural Conservation Program, of 250 pounds per acre?
A. This farmer, if he wished to participate in the supplementary program, could reduce his cotton plantings by one acre, leaving him a total of 9 acres. For the acre voluntarily reduced, he would receive cotton order stamps at the rate of 10 cents per pound for the 250-pound normal yield, or \$25 worth.

13. Q. If this same farmer had planted only 8 acres to cotton in 1940, how much would he have to reduce his acreage to earn his maximum amount of stamps?
A. He would have to plant only 7 acres of cotton in 1941, in order to receive \$25 worth of stamps. (For the maximum stamp payment that can be received by a landlord or tenant, and for the division of stamp payments among landlords and tenants, see Questions 14 and 16.)

14. Q. What is the maximum amount of cotton stamps that may be earned?
A. Each producer may earn a maximum of \$25 worth of cotton stamps on one farm, except that producers interested in more than one farm or an operator of a farm with two or more tenants or share-croppers may earn up to \$50 worth of stamps. No one may receive more than \$50 in cotton order stamps.

15. Q. What is the minimum stamp payment that will be made?
A. The minimum amount of stamps any eligible producer can receive is 50 cents worth; however no payment will be made to any producer on any farm for which the computed payment for the farm is less than \$5.

16. Q. How are cotton stamp payments to be divided among tenants and landlords?
A. The computed payment for the farm will be divided in the same manner as the payment with respect to the cotton allotment is divided.

17. Q. When will cotton farmers who take part in this program get their cotton stamps?

A. As soon as possible after cotton on the farm has been measured and performance certified by the AAA county committee.

How Supplementary Program Aids Home Living

18. Q. Can the acreage not planted to cotton under this Supplementary Cotton Program be used for other crops?

A. Yes. This acreage can be used to produce food and feed crops for home consumption, or for any other crop or land use, except that the sum of the 1941 acreages of wheat, corn, (in the commercial corn area), peanuts, potatoes, commercial vegetables, rice and tobacco for the farm cannot exceed the sum of its allotments or permitted acreages for such crops under the 1941 Agricultural Conservation Program.

19. Q. What additional assistance is offered for encouraging increased food production and storage for home use, and who is eligible for this assistance?

A. Any owner, landlord, tenant, or sharecropper on a farm which qualifies for a cotton order stamp payment, may also earn a cash payment of \$3 by carrying out a designated practice designed to improve and increase food production and storage for home use.

20. Q. What practice can be carried out in order to earn this special \$ 3 cash payment?

A. (This practice may vary by areas and this question will be answered by State AAA Offices.)

21. Q. Will the \$3 payment be divided among tenants and landlords?

A. No. Each producer who carries out a food production and storage practice will receive the entire payment of \$3.

22. Q. Must the food referred to in this practice be grown on the farm?

A. Yes. The food which qualified the producer for the \$3 payment must be grown on the farm for consumption by the producer and his family.

23. Q. May a producer receive credit for more than one such practice during 1941?

A. No.

24. Q. Must the food requirements under this practice be in addition to the practices customarily carried out by the farm family?

A. Yes. No payment will be made unless performance under this practice is in addition to the producer's usual production of food crops, as indicated by his certificate on the application for payment.

25. Q. Will the \$3 special payment be included in the farm's regular soil-building allowance?
A. No. The \$3 payment is an added payment for a special practice, and will not be included in the soil-building allowance.

How to Use Cotton Order Stamps

26. Q. After the cotton farmer has been given cotton stamps for voluntarily reducing cotton acreage under the Supplementary Cotton Program, what can he do with them?
A. He can use them in any cooperating retail store or mail order house, in exchange for new products made entirely in the United States and entirely from cotton fiber produced in the United States. Bindings, buttons, and other fasteners and trimmings shall not be considered in determining whether such commodity is made entirely of cotton.

27. Q. How will he know whether a store is cooperating in the program?
A. By asking within the store. However, experience of the Department of Agriculture with a similar program, the Cotton Stamp Plan, shows that nearly every retail store which sells cotton goods does cooperate. Most cooperating stores will display signs announcing their acceptance of cotton order stamps.

28. Q. Can purchases be made by mail?
A. Stores which qualify under special Surplus Marketing Administration mail order regulations will be authorized to accept cotton stamps on orders sent by mail, in addition to their authority to receive cotton order stamps on over-the-counter transactions.

29. Q. What are some of the cotton products that can be bought with cotton stamps?
A. Cotton piece goods, dresses, shirts, sheets, pants, overalls, children's and infants' clothes, underwear, mattresses, blankets, work gloves, plowlines, stockings, and any other cotton products.

30. Q. May cotton stamps be used to buy second-hand clothes or renovated mattresses?
A. No. Cotton stamps may be used to buy only new products which are made entirely of cotton.

31. Q. Will persons using cotton stamps get the same cotton products as persons who pay cash?
A. Yes, and at the same price.

32. Q. May retail merchants give change to customers using cotton stamps?
A. No.

33. Q. Since merchants cannot give change and since cotton stamps are printed only in 25-cent denominations, what is done when the price of the cotton goods purchased does not come out exactly to 25 cents, 50 cents, or some other multiple of 25?

A. Suppose the purchase price is 60 cents. (1) The customer could give two cotton stamps representing 50 cents to the merchant and pay the additional 10 cents in cash, or (2) the purchaser could give the merchant three cotton order stamps representing 75 cents and buy some other cotton goods product that costs 15 cents, or (3) the customer could give three cotton order stamps representing 75 cents to the merchant and receive from the merchant a credit slip for 15 cents which could be used later for the purchase of cotton goods at the same store.

34. Q. Will retail stores accept cotton stamps that have been taken out of the stamp book?

A. No. Cotton stamps must be taken out of the stamp books at the time the purchase is made - except when sent with an order for cotton products to a store qualified to accept cotton order stamps by mail.

35. Q. May anyone other than the person to whom the cotton stamps are issued use them?

A. The person to whom the stamps are issued signs his name on the stamp book. Then, only the person to whom the stamps are issued or a member of his family may take the book to the retail store and exchange the stamps for cotton products. If the retail merchant or clerk does not know the person who brings in the book, he is required to have the person identify himself.

36. Q. May cotton stamps be sold or traded?

A. No. They can be used only to buy cotton or cotton products and only by the person or families to whom they are issued. Any person or any retail merchant who misuses the cotton order stamps will be subject to penalties imposed by Federal law.

37. Q. May cotton stamps be used to pay outstanding bills or accounts? Or may the stamps be used in connection with a "lay away plan" or other installment buying?

A. No.

38. Q. May cotton stamp books be left with the retail merchant, or signed over to a merchant or landlord?

A. No. Stamp books must be kept by the person to whom they are issued for his use as he sees fit in connection with the exchange of stamps for cotton goods.

39. Q. Can cotton stamps be used to repay advances made against the crop, the landlord's share of the crop, or other indebtedness?

A. No.

40. Q. Must the entire amount of stamps be used at any one time?

A. No. One stamp or all stamps may be used at any one time, or over a period of time, until the total amount of stamps has been exchanged for cotton goods.

41. Q. How can retail stores be designated to receive cotton stamps from farmers in exchange for cotton goods?

A. Retailers handling cotton goods who wish to share in this new business should file with the nearest Surplus Marketing Administration office a statement of intention to take part in the program and to observe the regulations under which it operates. (Experience under the Food and Cotton Stamp Plans shows that practically all retailers cooperate willingly in surplus removal programs of the Department of Agriculture.)

42. Q. What is meant by this "new business"?

A. The 25 million dollars worth of cotton stamps which farmers can earn under the Supplementary Cotton Program will be placed as an "order" in regular channels of trade. From 75,000 to 100,000 bales of cotton will be required in making the cotton goods to fill this order. The larger share of each dollar spent for cotton goods, however, goes to employ labor and to pay other costs in the manufacture, transportation, handling, and selling of cotton products. The program, therefore, will benefit not only farmers, but labor and industry as well.

43. Q. How does the retailer receive payment for the face value of the stamps he accepts in exchange for merchandise?

A. Retailers may file proper claims for payment, supported by cards on each of which are pasted \$10 worth of cotton order stamps, direct with offices of the Surplus Marketing Administration (names and places of which will be made public). Wholesalers with whom retailers are accustomed to do business, or banks cooperating in the program, may also act as agents for retailers in presenting such claims to the Surplus Marketing Administration. (Experience under the Food and Cotton Stamp Plan shows that payments normally are made within two to five days after claims are presented. Bankers throughout the country, where the food and cotton stamp plans are in operation, have agreed unanimously to act as agents in presenting the stamps for payment. Their full cooperation has meant much to the success of the programs.)

More Information on Supplementary Program

44. Q. How may a producer who wishes to participate in the Supplementary Cotton Program obtain additional information about the program?

A. By seeing or writing his county farm or home demonstration agent or his local AAA committeeman.

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February 7, 1941

Supplement to Questions and Answers on the
1941 Supplementary Cotton Program

(The following answer to Question Number 20 applies only to the Southern Region of the AAA. Subject to adoption and revision by State AAA committees, it applies to the States of South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Texas, and Oklahoma.)

20. Q. What practice can be carried out in order to earn this special \$3.00 cash payment?

A. In order to earn this \$3.00 payment, the producer has a choice of carrying out one of the following practices:

(1) Store at least 300 quarts of canned fruits, meats, or vegetables.

or

(2) Perform at least three of the items listed below to provide food for consumption when these products are not otherwise available on the farm:

(a) Store 100 quarts of canned fruits, meats, or vegetables

(b) Store 20 bushels of Irish potatoes, sweet-potatoes, or other root crops

(c) Store 3 bushels of dried shelled cowpeas or beans, or their equivalent in unshelled cowpeas or beans

(d) Store 5 bushels of unshelled peanuts

(e) Store 15 gallons of syrup

(f) Store 10 bushels of cereal grains other than corn

(g) Grow a fall garden consisting of at least 400 linear feet of row planted to at least four of the green, leafy, or yellow vegetables, such as collards, mustard, carrots, rutabagas, turnips, beets, or onions. Such a garden must be in a good state of cultivation and adequately protected from livestock at the time performance is checked in the fall.

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